



INDUSTRY CIRCULAR

DEPARTMENT OF
THE TREASURY

Bureau of Alcohol, Tobacco and Firearms
Washington, D. C. 20226

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RECORDKEEPING REQUIREMENTS IMPOSED BY 27 CFR 19.761 AND 27 CFR 19.762 RECORD OF TAX DETERMINATION

Proprietors of Distilled Spirits Plants and Others
Concerned:

Purpose. This Industry Circular provides distilled spirits plant proprietors and others concerned with clarification of the recordkeeping requirements imposed by 27 CFR 19.761 and 27 CFR 19.762. The information in this circular supercedes the advice given in Industry Circular 91-4, dated April 1, 1991.

Background. 27 CFR 19.761 requires that distilled spirits plant proprietors maintain a record of tax determination. This regulation states that a serially numbered invoice or shipping document, signed or initialed by an agent or employee of the proprietor, will constitute the record of tax determination.

On April 1, 1991, the Bureau issued Industry Circular 91-4 which advised distilled spirits plant proprietors that the serial numbers used on these invoices or shipping documents should be sequential and uninterrupted.

Recently, the Bureau conducted a further review of the recordkeeping requirements in 27 CFR 19.761 and the interpretation of this section as published in Industry Circular 91-4. This review found that sequential and uninterrupted serial numbers on invoices and shipping documents can assist Bureau personnel in their audit of tax determination records. However, 27 CFR 19.762 already requires that proprietors maintain a daily summary record of tax determination. This summary record must show, for each day on which tax determinations occur, the serial numbers of the records of tax determination.

Since distilled spirits plants already maintain this summary record of tax determinations, it is not essential that invoices and shipping documents which are used as the record of tax determination have sequential, uninterrupted

serial numbers. A properly maintained summary record, as required by 27 CFR 19.762, provides sufficient information to identify the invoices and shipping records for each day's removals.

Conclusion. After careful consideration, the Bureau has concluded that the daily summary record, required by 27 CFR 19.762, provides sufficient identification of the daily records of tax determination required under 27 CFR 19.761. Accordingly, the advice provided in Industry Circular 91-4 is superceded. Distilled spirits plant proprietors do not need to use serially numbered invoices and shipping documents which constitute the record of tax determination in a sequential or uninterrupted series.

Distilled spirits plant proprietors should note that 27 CFR 19.761 continues to require serially numbered invoices or shipping documents, signed or initialed by an agent or employee of the proprietor, which constitute the record of tax determination. Only the procedure that these records be sequential and uninterrupted is superceded. In addition, the requirement for a daily summary record imposed by 27 CFR 19.762 remains in effect.

Inquiries. Inquiries concerning this circular should refer to its number and be addressed to the Associate Director (Compliance Operations), Bureau of Alcohol, Tobacco and Firearms, 650 Massachusetts Avenue, N.W., Washington, D.C. 20226.


Acting Director

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